

EXHIBIT 3

ROSTA-WERK AG

Geschäftsleitung

D I S T R I B U T I O N A N D C O O P E R A T I O N C O N T R A C T

b e t w e e n

ROSTA-WERK AG
CH-5502 Hunzenschwil
Switzerland

(hereinafter referred to as
ROSTA)

a n d

LOVEJOY INC.
2655 Wisconsin Avenue
USA-Downers Grove
Illinois 60515

(hereinafter referred to as
Lovejoy)

1. Lovejoy represents ROSTA exclusively in the United States of America for following products: DR-A/S/C, DO-A/S, DK-A/S, DW-A, SE, NSE, RSE, ST, AU, AK, AB, ESL, V, ISOCOL, N, AE and DR in special execution, all new developments of standard units, as well as special units on the ROSTA-rubber suspension system included.
2. Lovejoy purchases and sells all products mentioned under paragraph 1 in his own account as ROSTA-products.

./.



ROSTA-WERK AG

- 2 -

3. If the market demands, due to price or delivery time and on consultation with ROSTA, Lovejoy is allowed to manufacture particular elements of the ROSTA-product line for the home market. In such a case, ROSTA shall give Lovejoy the complete technical know-how for the manufacturing of these elements. Lovejoy will inform ROSTA about all developments of the ROSTA-elements and eventual new manufacturing methods.
4. ROSTA can agree with a production at Lovejoy as mentioned under paragraph 3, if quality and the technical execution is equivalent to the ROSTA-norms. Such products are only allowed to sell, if the prototypes have been checked and decontrolled by ROSTA. To guarantee the equivalent function and characteristics of the local manufactured units, Lovejoy has to buy all rubber elements, cut in the right length or per m, from ROSTA. ROSTA sells the rubber to lowest possible costs to Lovejoy. The name ROSTA has to be clearly legible on any products manufactured by Lovejoy, as well as on all pamphlets (see paragraph 2, too).

Lovejoy has already the right of fabrication under licence for the following units:
 - Tensioner devices SE 11, 15, 18 and 27
 - Harris tensioners DR 18
 - Cummins tensioners DR 27
 - Plastic tensioners PT 7 and PT 11
 - Brunswicks double suspensions DR 15ROSTA supplies the tensioner arms at lowest costs, as ROSTA is well equipped for this process.
5. For each ROSTA-rubber suspension unit manufactured by Lovejoy, a commission has to be paid. The amount of the commission is fix whether it is a standard or a special unit and remains the same for each length of the respective DR-dimension. The amount is based on the index of April 1st, 1988, and has to be revised, if necessary, as follows:

**ROSTA-WERK AG**

- 3 -

The commission has to be adjusted every March 31st of the coming year corresponding to the official Swiss index. It will only be adjusted if the difference in index will be more than 5 points.

Commission per piece

manufactured and sold by Lovejoy, including standard and special components:

(DR)	7	SFr.	-.10
(DR)	11	SFr.	-.18
(DR)	15	SFr.	-.41
(DR)	18	SFr.	-.47
(DR)	27	SFr.	-.63
(DR)	38	SFr.	-.97
(DR)	45	SFr.	1.52
(DR)	50	SFr.	3.33
(DR)	60	SFr.	3.88
(DR)	70	SFr.	4.44
(DR)	80	SFr.	8.88
(DR)	100	SFr.	11.10

*new Adjusted per 1.4.94.
gen. u. for 21/1/94 Mr.*

For brackets, supports and other parts, which are not based on the rubber suspension system, but which are developed by ROSTA, the commission will be 1 % of the invoiced net amount.

6. Lovejoy will use his best endeavours, including publicity, to achieve the best selling of said ROSTA-products and to protect the rights of ROSTA on the US-market.
7. ROSTA supplies Lovejoy, if required, with an acceptable quantity of all technical pamphlets in English language, which are useful for selling ROSTA-products.
8. Lovejoy is obliged to have a well selected stock of all ROSTA-standard components.

./.



ROSTA-WERK AG

- 4 -

9. ROSTA is allowed, if it is necessary for some reason, to deliver directly goods to a customer in the USA, but only after Lovejoy has given his approval.
10. If the case as stated in paragraph 9 occurs, a commission of max. 10 % has to be paid to Lovejoy.
11. All orders have to be confirmed by ROSTA. If there are any imperative reasons, ROSTA can refuse to execute orders, but has to advise previously Lovejoy.
12. ROSTA shall send copies of all important correspondence to Lovejoy which is in connection with the sale of ROSTA-products in the USA. Lovejoy, on the other side, shall inform ROSTA permanently about all new applications with ROSTA-elements.
13. During the cooperation with ROSTA Lovejoy is obliged not to sell products which are in competition with ROSTA-products without the agreement of ROSTA.
14. ROSTA is obliged to sell in the USA exclusively to Lovejoy or in accordance with Lovejoy to his customers.
15. Lovejoy is not allowed to sell any ROSTA-products outside the USA, neither through himself, nor through other channels.
16. Lovejoy and ROSTA agree to offer each other any new products which are suitable to sell with their product line.
17. Terms of delivery and payment



The normal terms are as following:

**ROSTA-WERK AG**

- 5 -

- Delivery: free Swiss border, exclusively any duties and taxes, seaworthy packing not included.
- Payments: 60 days net.

This terms can be changed if not acceptable due to any important reasons in connection with the American banks or laws.

18. The trade mark **ROSTA** as well as the label  are registered in the USA. In order to provide protection to the Trade Mark Sign and to follow the regulations, Lovejoy has to use the ® on all his literature. Concerning the right use and presentation of the ROSTA-name and the trade mark, Lovejoy is asked to consult the ROSTA-marketing manual.
19. This contract is valid for an indeterminate time, unless one of the two parties gives notice of the expiration 12 months in advance, respectively as per December 31st. For the first time, this arrangement can be applied after 5 years from the date of issue of the contract. After the time of 5 years the contract will be automatically renewed for the following 5 years.
20. ~~Should Lovejoy modify the legal position concerning property and ownership, ROSTA reserves the right to sever the cooperation immediately.~~
EXCEPT AS PROVIDED BELOW, SHOULD THE VOTING CONTROL OF LOVEJOY SHARES CEASE TO BE HELD BY THE CURRENT HOLDERS OR THEIR DESCENDANTS, ROSTA MAY CANCEL THIS AGREEMENT IMMEDIATELY. ROSTA SHALL NOT HAVE THIS RIGHT IF THE CHANGE IS IN THE FORM OF TRANSFERS AMONG FAMILY MEMBERS, OR TRUSTS WHICH BENEFIT FAMILY MEMBERS. 
21. In case of bankruptcy of one of the parties, the contract relationship expires.
22. Any changes of the contract have to be done in written form and have to be signed from both parties.
23. This contract comes under the Swiss Law; Place of Judgement for both parties is CH-5000 Aarau, Switzerland, commercial court.



ROSTA-WERK AG

- 6 -

This contract invalidates all other previous agreements.

CH-5502 Hunzenschwil,

USA-Downers Grove,

December 22, 1988

.....

ROSTA-WERK AG

Lovejoy Inc.

[Handwritten signature].....

Thomas F. Beninger
.....